

Service Date: October 21, 1991

DEPARTMENT OF PUBLIC SERVICE REGULATION
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MONTANA

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IN THE MATTER of the Application)	UTILITY DIVISION
of U S West Communications for)	
Forbearance of Rate Regulation)	DOCKET NO. 91.9.36
Re: Montana Health Network, Inc.)	
_____)	ORDER NO. 5573

FINAL ORDER

FINDINGS OF FACT

1. On September 18, 1991, U S West Communications (USWC) filed an application with the Montana Public Service Commission (Commission or PSC) requesting forbearance of rate regulation for intraLATA long distance service (Message Toll Service - MTS, including Dial Station-to-Station, Customer Dialed Calling Card Station-to-Station, Operator Handled Station-to-Station, Operator Handled Person-to-Person and received calls on a collect basis) for Montana Health Network, Inc., Miles City, Montana (accounts shown below). USWC makes its application pursuant to Section 69-3-808, MCA.

MONTANA HEALTH NETWORK ACCOUNTS

Community Memorial Hospital, Sidney, Montana
Glendive Medical Center, Glendive, Montana
Francis Mahon Deaconess Hospital, Glasgow, Montana
Roosevelt Memorial Hospital, Culbertson, Montana
Daniels Memorial Hospital, Scobey, Montana
Community Hospital, Poplar, Montana

Fallon Medical Complex, Baker, Montana
Holy Rosary Hospital, Miles City, Montana
Montana Health Network, Miles City, Montana
Phillips County Hospital, Malta, Montana

2. Attached to and referenced in USWC's application was a letter from Montana Health Network, Inc. addressed to USWC, dated September 5, 1991, requesting a proposal for intraLATA long distance service. USWC's application stated that Montana Health Network, Inc. is considering bids for intraLATA long distance services from AMERICAN SHARECOM, AT&T and Progressive Communications, Inc.

3. On September 25, 1991, at a duly noticed worksession, the Commission GRANTED USWC's forbearance application based solely on the contents of USWC's application.

4. Although the forbearance statute (Section 69-3-808, MCA) may not permit analysis of the economic merits of USWC's discounted sales prices in considering the forbearance application itself, the Commission intends to analyze the merits of such discounts in later dockets. There is absolutely no evidence in the instant or past forbearance applications that prices resulting from a negotiated contract or contracts for the services listed herein or in past applications will cover relevant economic costs. Further, no economic cost studies have been accepted by this Commission for USWC's toll services (see Order Nos. 5354d and 5354e, Docket No. 88.1.2). Therefore, USWC

is hereby put on notice that to the extent any such sales prices resulting from a negotiated contract for the services listed herein fall below the Commission's estimate of relevant marginal costs, the resulting shortfall shall be borne by USWC shareholders.

CONCLUSIONS OF LAW

1. USWC provides regulated telecommunications service within the state of Montana and is a public utility under the regulatory jurisdiction of the Montana Public Service Commission, Sections 69-3-101 and 69-3-803(3), MCA.

2. The Commission has authority to supervise, regulate and control public utilities. Section 69-3-102, MCA.

3. USWC's application contained the information required by Section 69-3-808, MCA and ARM 38.5.2715.

ORDER

1. USWC is GRANTED FORBEARANCE of rate regulation with respect to the provision of intraLATA Message Toll Service for Montana Health Network, Inc.

DONE AND DATED this 15th day of October, 1991, by a 5 to 0 vote.

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION

HOWARD L. ELLIS, Chairman

DANNY OBERG, Vice Chairman

WALLACE W. "WALLY" MERCER, Commissioner

JOHN B. DRISCOLL, Commissioner

BOB ANDERSON, Commissioner

ATTEST:

Ann Peck
Commission Secretary

(SEAL)

NOTE: Any interested party may request that the Commission reconsider this decision. A motion to reconsider must be filed within ten (10) days. See 38.2.4806, ARM.

US West Communications
Order Amending Order May 11, 1992

DEPARTMENT OF PUBLIC SERVICE REGULATION
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MONTANA

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IN THE MATTER Of The Application)
Of U S WEST COMMUNICATIONS for)UTILITY DIVISION
Forbearance of Rate Regulation)DOCKET NO. 91.9.36
RE: Montana Health Network, Inc.)ORDER NO. 5573b
_____)

FINDINGS OF FACT

1.On September 18, 1991, US West Communications (USWC) filed an application with the Montana Public Service Commission (Commission or PSC) requesting forbearance of rate regulation for intraLATA long distance service (Message Toll Service - MTS, including Dial Station-to-Station, Customer Dialed Calling Card Station-to-Station, Operator Handled Station-to-Station, Operator Handled Person-to-Person and received calls on a collect basis) for Montana Health Network, Inc., 2101 Clark Street, Miles City, Montana 59301-2796. USWC made its application pursuant to Section 69-3-808, MCA.

2.On September 25, 1991, at a duly noticed worksession, the Commission GRANTED USWC's forbearance application based solely on the contents of USWC's application. Final Order No. 5573 was served on October 21, 1991 in this matter.

3.On December 23, 1991, USWC requested the Commission amend Order No. 5573 to extend forbearance for the services listed in Finding No. 1 to an additional 32 telephone numbers associated with health care facilities and physicians which are members of Montana Health Network, Inc.

4.The Commission found USWC's request reasonable and on January 6, 1992 GRANTED USWC's request. Order 5573a was served on January 27, 1992.

5.On April 22, 1992, USWC requested the Commission amend Order No. 5573a to extend forbearance for the services listed in Finding No. 1 to an additional 3 telephone numbers associated with health care facilities and physicians which USWC maintains are members of Montana Health Network, Inc. The telephone numbers are:

Custer County 323-1035
Stillwater Community 322-5316
PC Family Health 654-1800

6.Montana Health Network, Inc. provided USWC the above listed telephone numbers in a letter regarding amendments to USWC's proposal for service. USWC states that other telecommunications service providers including AMERICAN SHARECOM, AT&T and Progressive Communications, Inc. have submitted amended

bids. Thus the Commission finds it reasonable to amend Final Order 5573a in Docket No. 91.9.36 as requested by USWC. This action was taken at the Commission's regularly scheduled agenda meeting held May 11, 1992.

7. In past forbearance applications USWC has generally identified its customers by their locations. In this filing, however, USWC has requested that certain telephone numbers be added to the list of patrons for whom forbearance would be applicable. The Administrative Rules of Montana state that the name and address of the customer to be served be included in a forbearance application (Section 38.5.2715 (c), ARM). Although the Commission has approved USWC's proposed amendment in this instance, USWC must adhere to the rules regarding forbearance in future filings and provide both the name(s) and address(es) of the customers for whom the service is intended.

CONCLUSIONS OF LAW

1. USWC provides regulated telecommunications service within the state of Montana and is a public utility under the regulatory jurisdiction of the Montana Public Service Commission, Sections 69-3-101 and 69-3-803(3), MCA.

2. The Commission has authority to supervise, regulate and control public utilities. Section 69-3-102, MCA.

3. USWC's application contained the information required by Section 69-3-808, MCA and ARM 38.5.2715.

ORDER

1. Order No. 5573a is hereby amended to include the 3 telephone numbers listed in Finding of Fact No. 5.

DONE AND DATED at Helena, Montana this 11th day of May, 1992
by a 5 - 0 vote.

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION

S/DANNY OBERG, Chairman

S/WALLY W. "WALLY" MERCER, Vice Chairman

S/BOB ANDERSON, Commissioner

S/JOHN B. DRISCOLL, Commissioner

S/TED C. MACY, Commissioner

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